

Disclaimer:

The following highlights certain recent amendments to the Code of Virginia. In general, these changes will become effective on July 1, 2004. Please note that this material is being provided to you for informational purposes only. It is not intended to be an exclusive itemization of every amendment that may affect your business and should not be relied upon as such. The State Corporation Commission makes no warranty, express or implied, nor assumes any legal liability or responsibility for the accuracy or completeness of this information. Nothing contained herein should be used as a substitute for the advice of competent counsel.

To view the text of a bill, click on the applicable hyperlink.

Bill Number & Link	Sections Affected	Bill Title / Summary
SB163 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0165+pdf	§ 6.1-1.1	Financial Institutions, SCC Bureau of; submission of confidential info. pursuant to grand jury sub. Banking and finance; confidentiality of information. Authorizes the State Corporation Commission or its employees to release examination reports regarding financial institution and personal financial information to other persons as required by grand jury subpoenas.
SB504 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0253+pdf	§ 55-60	Deeds of trust; those that secure a loan deemed purchase money trusts. Purchase money trusts. Provides that any deed of trust that secures a loan is deemed a purchase money deed of trust if the borrower uses proceeds to acquire the secured real property.
SB505 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0596+pdf	§ 55-66.3	Deed of trust or other lien; lien creditor to directly file a certificate of satisfaction. Release of deed of trust or other lien. Allows a lien creditor to directly file a certificate of satisfaction with the clerk unless he receives notice from a settlement agent to deliver the certificate to such settlement agent. If the certificate is filed directly with the clerk prior to receipt of a notice from a settlement agent, the lien creditor will provide the settlement agent with a copy of the certificate
SB509 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0597+pdf	§§ 6.1-2.25 & 6.1-2.27	Consumer Real Estate Settlement Protection Act; issuance of summonses and subpoenas. Consumer Real Estate Settlement Protection Act; summonses and subpoenas; orders have force and effect of circuit court decrees. Authorizes licensing authorities to issue summonses and subpoenas and to issue orders restraining a person from engaging in an act or practice. The bill also gives orders of the licensing authorities imposing penalties or requiring restitution the force and effect of circuit court decrees

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SB536 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0600+pdf	§§ 6.1-472 & 6.1-473	Asset-Backed Securities Facilitation Act; created. Asset-Backed Securities Facilitation Act. Provides that any property, assets, or rights purported to be transferred in a securitization transaction shall be deemed to no longer be the property, assets, or rights of the transferor. A transferor in a securitization transaction, its creditors or a bankruptcy trustee, receiver, debtor, debtor in possession, or similar person shall have no rights to reacquire, reclaim, recover, repudiate, disaffirm, redeem, or recharacterize as property of the transferor any property, assets, or rights purported to be transferred by the transferor. In a bankruptcy, receivership, or other insolvency proceeding governed by the laws of the Commonwealth, the property, assets, and rights shall not be deemed to be part of the transferor's property, assets, rights, or estate.
SB542 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0781+pdf	§§ 6.1-32.3, 6.1-32.11, 6.1-32.19 & 6.1-32.20	Subsidiary trust companies and trust company holding companies; ownership. Banking and finance; subsidiary trust companies and trust company holding companies. Permits companies other than banks and bank holding companies to own nonvoting stock of trust subsidiaries. The requirement that a trust company holding company also control a securities-related company is eliminated. "Control" is defined as ownership of 25 percent or more of the voting stock of a trust company. The bill also authorizes acquisition of a Virginia trust company by any bank holding company or any company having a trust subsidiary as permitted by federal law or the law of another state.
HB86 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0722+pdf	§ 46.2-346	Driver's license; authorized copying by banks and financial institutions. Copying driver's licenses, etc. Prohibits reproduction by photograph or otherwise of any driver's license, temporary driver's permit, learner's permit, or special identification card issued by the Department of Motor Vehicles (DMV) with the intent to commit an illegal act. Present law prohibits copying without permission of DMV (but makes no mention of illegal acts or special identification cards).
HB275 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0523+pdf	§ 55-210.21	State Treasurer; interest paid to owners of unclaimed property. Specifies the applicable rate of interest to be paid to the owner of unclaimed property if the property was interest bearing and the holder fails to report the applicable rate of interest.
HB276 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0524+pdf	§ 55-210.12	Unclaimed property; electronically filing of reports. Unclaimed property; electronic filing of reports. Requires a person to electronically remit reports containing 25 or more items of funds or other property presumed abandoned in a format prescribed by the State Treasurer. The State Treasurer may waive this requirement when he determines, in his discretion, that it creates an undue hardship. Current law does not specify the format for remission.

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HB466 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0535+pdf	§ 55-210.18	Unclaimed property; notice of public sale through post, print, electronic media, etc. State Treasurer; sale of abandoned property. Authorizes the sale of abandoned property other than money or other certificates of ownership through the use of electronic media. Expands the forms of notice of a public sale that is to occur outside the Commonwealth to include post, print, visual, telecommunications, or electronic media or any combination of those forms. All sales through the use of electronic media are deemed to be sales outside the Commonwealth.
HB471 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0790+pdf	§§ 6.1-363.1 through 6.1-363.26; §§ 54.1-3905, 57-60, & 59.1-200	Nonprofit Credit Counseling Act; created, abolishes Nonprofit Debt Counseling Agencies. Nonprofit credit counseling. Requires credit counseling agencies to obtain a license from the State Corporation Commission in order to provide or offer to provide to consumers debt management plans. Under consumer debt management plans, an agency agrees to engage in debt settlement or debt pooling and distribution services on behalf of a consumer with the consumer's creditors, and the consumer gives money or control of his funds to the agency for distribution to the consumer's creditors. Licensees shall provide to consumers a statement that providing debt management plan services on behalf of the consumer may have a derogatory effect upon the consumer's credit report. The SCC's Bureau of Financial Institutions may investigate and examine the affairs, business, premises, and records of any person licensed or required to be licensed. The SCC may impose a fine or penalty on violators not exceeding \$1,000. Any person operating without a license shall be guilty of a Class 1 misdemeanor. Any person who suffers loss by reason of a violation may bring a civil action. The SCC may request the Attorney General to investigate a suspected violation. Any violation constitutes a prohibited practice under the Virginia Consumer Protection Act. The measure does not apply to a person licensed to practice law in the Commonwealth. An agency that had been licensed under the current statutes regulating non-profit debt counseling agencies, which laws are repealed by this measure, is required to reapply for the new license by October 1, 2004.

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HB537 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0793+pdf	§ 11-33.2	Credit cards transactions; printing of information on receipts. Improper use of payment device numbers. Changes the deadline for old devices to comply with the prohibition on printing certain information on receipts from July 1, 2007, to July 1, 2005. In addition, the bill changes the prohibition of displaying certain information on payment device receipts from no more than the last five digits to no more than the last four digits. The bill also extends the prohibition to handwritten, imprinted and copied payment device numbers, except for the one original. The bill allows compliance by returning noncomplying copies to or destroying them in front of the payment device user. References to credit cards and debit cards were removed because the Congress preempted the law's application to credit card and debit card receipts with the reauthorization of the Fair Credit Reporting Act. See 15 U.S.C. 1681c(g) and 1681t(b)(5)(A).
HB688 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0295+pdf	§§ 6.1-453, 6.1-459 & 6.1-461	Payday Loans; retention of copies of checks, payments on loan prior to maturity. Payday Loan Act; requirements; charges. Requires payday lenders to retain their borrowers' checks. The bill prohibits application of post-maturity interest to loan fees and limits borrowers' right to make partial payments to the period prior to loan maturity. Payday lenders are required to return paid loan agreements to borrowers marked "paid" or "canceled" and to keep copies of such agreements. The measure also provides that the Payday Loan Act's provisions exclusively control the post-judgment interest and other charges and expenses payday lenders may recover from borrowers.
HB1189 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0373+pdf	§ 11-33.3	Credit cards; contract formation, occurrence of transaction. Contract formation; federal Fair Credit Billing Act. Provides that a transaction shall be presumed to have occurred at the mailing address most recently provided by the holder of a credit card to the card issuer. The place where such a credit card transaction occurred is relevant in a determination of whether a credit card purchaser is able to assert certain claims and defenses pursuant to the federal Fair Credit Billing Act.
HB1264 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP1001+pdf	§ 55-59.1	Deeds of trust; notice of sale shall include instrument number or deed book and page numbers. Notice of sale by trustee; instrument of appointment. Provides that the notice of sale that a trustee must give to the present lienholder, any subordinate lienholder, and other interested parties must include, in addition to the time, date and place of any proposed sale, the instrument number or deed book and page numbers of the instrument of appointment for the trustee or substitute trustee.

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HB1269 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0320+pdf	§ 6.1-62	Banks; loans and other extensions of credit to executive officers and directors. Banks; loans and other extensions of credit to executive officers and directors. Requires that Federal Reserve Board Regulations govern the maximum amount of loans and other extensions of credit a bank may make to any of its executive officers or directors, and the conditions and procedures for approval of such extensions of credit, regardless of whether the bank is a member of the Federal Reserve System.
HB1424 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0241+pdf	§§ 59.1-443, 59.1-443.1 & 59.1-444	Personal Information Privacy Act; restricting use of date of birth as condition for accepting checks. Personal Information Privacy Act; date of birth on checks. Prohibits a person who accepts checks in the transaction of business from recording, or requesting or requiring a person to record, a date of birth upon the check as a condition of accepting the check. The section does not affect collection of a birth date for reasons unrelated to accepting the check, nor does it block a requirement that the payor provide his year of birth.
HB1460 http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+CHAP0646+pdf	§§ 6.1-330.53, 6.1-330.54 & 8.01-382	Judgment and legal rate of interest; lowered. Rates of interest. Provides that the legal and judgment rates of interest both are lowered from the current rate of eight and nine percent respectively to six percent, to reflect current market realities. Clarifies that where the relevant contract or instrument is silent and the court or jury has not set the interest rate, the same rate is applied for prejudgment and post-judgment interest. This bill incorporates HB 260.